

5400 CENTRE SQUARE WEST
1500 MARKET STREET
PHILADELPHIA, PA. 19102
(215) 972-3400

38 SQUARE DE MEEUS, BTE 1
1040 BRUSSELS, BELGIUM
(02) 511 80 40

PRINCES HOUSE
95 GRESHAM STREET
LONDON, EC2V 7NA, ENGLAND
01. 606. 8598

LAW OFFICES OF
DECHERT PRICE & RHOADS
888 17th STREET, N. W.
WASHINGTON, D. C. 20006

TELEX 84 5324 • BARDEP
(202) 872-8600

ELEVEN BROADWAY
NEW YORK, N. Y. 10004
(212) 425-3510

SUITE 1760
ENERGY CENTER ONE
SEVENTEENTH STREET
DENVER, COLORADO 80202
(303) 623-1777

800 NORTH THIRD STREET
HARRISBURG, PA. 17102
(717) 233-7947

RECORDATION NO. 9630-*F*

OCT 30 1980 .12 15 PM

October 30, 1980

INTERSTATE COMMERCE COMMISSION

INTERSTATE COMMERCE COMMISSION

Agatha L. Mergenovich, Secretary
Interstate Commerce Commission
12th and Constitution Avenue, N.W.
Washington, D.C. 20423

10/30/80
110

RECORDATION NO. 9630-*D*

OCT 30 1980 .12 15 PM

INTERSTATE COMMERCE COMMISSION

Dear Secretary Mergenovich:

Pursuant to 49 U.S.C. §11303 and the Commission's rules and regulations, I enclose for filing and recordation four copies of the following documents:

- (1) Loan Modification and Moratorium Agreement dated October 17, 1980, and revised October 28, 1980, between American Security Bank, N.A. and Girard Leasing Corporation;
- (2) Three Security Agreements respectively dated August 14, 1978, August 28, 1978, and September 7, 1978, between American Security Bank, N.A. and Girard Leasing Corporation; and
- (3) Three Assignment of Lease agreements respectively dated August 14, 1978, August 28, 1978, and September 7, 1978, between Girard Leasing Corporation and American Security Bank, N.A.

These documents relate to boxcars subject to an Equipment Lease Agreement between Girard Leasing Corporation (lessor) and National Railway Utilization Corporation/Pickens Railroad Company (co-lessees) filed with the Commission on August 8, 1978 at 10:25 A.M. and assigned recordation number 9630. That Equipment Lease Agreement was supplemented by two Rental Schedules filed with the Commission on August 21, 1978 at 9:00 A.M. and on August 30, 1978 at 9:25 A.M. and assigned recordation numbers 9630A and 9630B.

Deanne M. O'Neil
Clara J. O'Neil

Agatha L. Mergenovich, Secretary
October 30, 1980
Page Two

The names and addresses of the parties to the aforementioned documents to be filed are as follows:

(1) Loan Modification and Moratorium Agreement:

(a) Secured Party:

American Security Bank, N.A.
1501 Pennsylvania Avenue, N.W.
Washington, D.C. 20013

(b) Debtor:

Girard Leasing Corporation
3 Girard Plaza
Philadelphia, Pennsylvania 19101

(2) Security Agreements:

(a) Secured Party:

American Security Bank, N.A.
1501 Pennsylvania Avenue, N.W.
Washington, D.C. 20013

(b) Debtor:

Girard Leasing Corporation
3 Girard Plaza
Philadelphia, Pennsylvania 19101

(3) Assignment of Lease agreements:

(a) Assignor:

Girard Leasing Corporation
3 Girard Plaza
Philadelphia, Pennsylvania 19101

(b) Assignee:

American Security Bank, N.A.
1501 Pennsylvania Avenue, N.W.
Washington, D.C. 20013

Agatha L. Mergenovich, Secretary
October 30, 1980
Page Three

The Loan Modification Agreement and Moratorium Agreement modifies the terms of three promissory notes executed in 1978 that were in turn secured by the three aforementioned Security Agreements. The Loan Modification Agreement and Moratorium Agreement and the Security Agreements relate to and create security interests in the following boxcars:

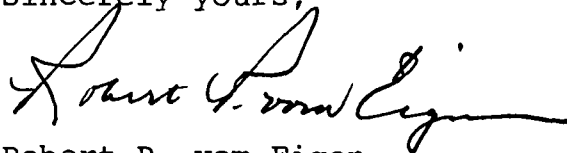
Ninety-four (94) 50'6" 70-ton XM rated box-cars manufactured by Southern Iron and Equipment Co., a Division of Evans Transportation Company, and bearing Road Numbers MNJ 120941 through MNJ 120984; NSL 155100 through NSL 155124; and NSL 155125 through 155149 (each number inclusive).

Pursuant to the Assignment of Lease agreements, the Assignor has assigned to the Assignee the Assignor's right, title and interest in the aforementioned Equipment Lease Agreement and Rental Schedules relating to the same ninety-four boxcars.

Please file and record the Loan Modification and Moratorium Agreement, the Security Agreements, and the Assignment of Lease Agreements cross-indexing them one to the others and to the Equipment Lease Agreement, and indexing said documents under the names of the Secured Party/Assignee, the Debtor/Assignor and the co-lessees under the Equipment Lease Agreement already on file. A check is enclosed for \$110.00 as prescribed pursuant to 49 C.F.R. §1116.3(d).

Please stamp all four copies of the Loan Modification and Moratorium Agreement, the Security Agreements, and the Assignment of Lease agreements, and the attached copies of this transmittal letter with your official recording stamp. You will wish to retain two copies of each of the documents and the original of the transmittal letter for your file. Please return the remaining copies of this transmittal letter and the Loan Modification and Moratorium Agreement, the Security Agreements, and the Assignment of Lease agreements to the bearer of this letter.

Sincerely yours,



Robert P. vom Eigen

RPvE:dn

Encls:

Exhibit A

RECORDATION NO. 9630-E Filed 1425

- ASSIGNMENT OF LEASE -

OCT 30 1980 - 12 55 PM

INTERSTATE COMMERCE COMMISSION

GIRARD LEASING CORPORATION ("Assignor"), a Pennsylvania
corporation hereby assigns and transfers
to American Security Bank, N.A. ("Assignee")
all Assignor's right, title and interest in and to the lease made as of
August 8, 1978 and all rental schedules and supplements thereto
("Lease") of which NATIONAL RAILWAY UTILIZATION CORP. & PICKENS RAILROAD COMPANY
1100 Centre Square East P.O. Box 216
1500 Market Street, Philadelphia, Pa. 19102 Pickens, S.C. 29671

are lessees and Assignor is lessor, together with all rentals and other monies coming due thereunder and all proceeds of insurance, condemnation and requisition proceedings and sale or other dispositions of any of the property subject thereto payable to or receivable by the Assignor under or in connection therewith, and all rights, powers and remedies (but none of the duties or obligations, if any) of Assignor under the Lease, including all rights of the Assignor to give and receive any notice, consent, waiver, demand or approval under or in respect of the Lease, to exercise any election or option thereunder or in respect thereof, to accept any surrender of any property subject thereto, to execute and deliver any bill of sale for any such property, and to do all other things which Assignor is entitled to do under the Lease.

Assignor authorizes Assignee to do every act and thing in the name of the Assignor, Assignee or otherwise which Assignee may deem advisable to enforce the terms of the Lease, and the Assignor hereby irrevocably appoints Assignee the true and lawful attorney for the Assignor with full power of substitution and revocation, together with full power and authority in the name of the Assignor, Assignee or otherwise, to demand, enforce, collect, receive, receipt and give releases for any monies due or to become due under or arising out of the Lease or any policy of insurance or indemnity relating to the property subject thereto or the Lease (including any returns of premium), to endorse all checks and other instruments payable to Assignor, and to do and take all such other actions as are referred to in the preceding paragraph relating to the Lease or such property, to file any claims or institute any proceedings for the foregoing which Assignee deems necessary, and to compromise any such demand, claim or action.

This Assignment is made pursuant to and for the purposes of a certain Security Agreement of even date herewith given by Assignor to Assignee to secure the payment of Assignor's Notes and other obligations as provided therein.

Executed August 28, 1978

By D. A. Wingley, K.P.
(Authorized Signature & Title)

GIRARD LEASING CORPORATION

A Subsidiary of

THE GIRARD COMPANY

Girard Plaza
Philadelphia PA 19101
Tel (215) 585-2175

August 2, 1978

American Security Bank
15th & Pennsylvania Ave., NW
Washington, DC 20013

Attn: Mr. Barth A. Baron, Vice President

Re: Equipment Lease No. M-039 ("Lease") dated August 8, 1978 by and between Girard Leasing Corporation ("Lessor") and National Railway Utilization Corporation and Pickens Railroad Company ("Lessee"), the terms used herein which are defined in the Lease shall have the same meanings as so defined.

Gentlemen:

In consideration of your loaning Lessor amounts equal to 82% of Lessor's Acquisition Cost of the Equipment, Lessor agrees you are to be compensated as follows:

- a- You are to receive interest at the annual rate of 10.25% on the unpaid principal amount of the loan(s) pursuant to a series of Promissory Notes and Security Agreements between you and Lessor and
- b- You are to share in any Residual Value (as defined below), if available, in an amount equal to 4.05% of the Acquisition Cost of Equipment applicable to each Rental Schedule which shall be paid to you when collected by Lessor after the First Residual Value (also defined below) has been collected.

"Residual Value" means the monetary amount received by Lessor (after all costs and expenses associated with the collection thereof have been paid) from the sale, renewal, re-leasing or other disposition of the Equipment on each Rental Schedule after the date ("Termination Date") of the final obligation of the Lessee under the initial term of each said Rental Schedule has been paid.

"First Residual Value" means that portion of the Residual Value necessary to equal 30% of the Acquisition Cost of the Equipment on each Rental Schedule after discounting from date of collection thereof to the Termination Date at the annual rate of 12%, compounded monthly.

Page 2

August 2, 1978

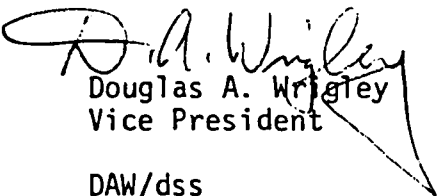
Barth A. Baron, Vice President
American Security Bank

If your portion of the Residual Value as hereinabove provided is received by you any time after 30 days have elapsed from the expiration of the initial term of each applicable Rental Schedule, you shall be entitled, subject to the limitations outlined above and to the extent available, to interest in addition to your portion of Residual Value at the annual rate of 11% on the amount of said Residual Value from the expiration of said initial term until said Residual Value is received by you.

If this is your understanding of our agreement, please execute and return the counterpart of this letter.

Very truly yours,

GIRARD LEASING CORPORATION


Douglas A. Wrigley
Vice President

DAW/dss

Agreed:

AMERICAN SECURITY BANK

By Barth A. Baron
Title Vice President
Date August 2, 1978

AFFIDAVIT

Commonwealth of Pennsylvania :
: ss.
County of Philadelphia :

The undersigned, a Notary Public in and for the
aforesaid State and County, hereby certifies that the foregoing
Security Agreement has been compared with the original and is a
true and correct copy.

Diane P. Butler
Notary Public

[Notarial Seal]

My Commission Expires: *August 31, 1981*

Dated: *October 29, 1980*

BILL OF SALE

GIRARD LEASING CORPORATION ("Transferor") for good and valuable consideration, receipt of which is hereby acknowledged, including but not limited to the granting of certain accommodations and rights under a Loan Modification and Moratorium Agreement dated as of October 17, 1980, hereby transfers and assigns to AMERICAN SECURITY BANK, N.A., ("Transferee") all of its right, title and interest in and to the following described property:

PROPERTY DESCRIPTION

MANUFACTURER

SERIAL NUMBERS

Transferor hereby warrants that it is the lawful owner of the property identified above and that it has the right to sell the same and will warrant and defend the title to said property against the claims and demands of all persons whomsoever.

This Bill of Sale is executed and delivered pursuant to a Loan Modification and Moratorium Agreement between the parties hereto dated as of October 17, 1980. The terms, conditions, covenants, agreements, warranties and representations

Exhibit "D"

set forth therein shall survive the execution and delivery
hereof and shall not be merged herein.

GIRARD LEASING CORPORATION

Dated:

UNCONDITIONAL RELEASE

KNOW ALL MEN BY THESE PRESENTS that AMERICAN SECURITY BANK, N.A., for good and valuable consideration, receipt of which is hereby acknowledged, and intending to be legally bound, on behalf of itself and its affiliates, successors and assigns, hereby remises, releases, acquits and forever discharges GIRARD LEASING CORPORATION and its successors assigns and affiliates, of and from any and all claims, actions, causes of action, proceedings, controversies and liabilities of any kind and nature arising from or related to a LOAN MODIFICATION AND MORATORIUM AGREEMENT ("Agreement") dated as of October 17, 1980 by and between AMERICAN SECURITY BANK, N.A. and GIRARD LEASING CORPORATION and certain notes, security agreements and assignments of lease referred to therein expressly excluding, however, any release of GIRARD LEASING CORPORATION from its obligations pursuant to paragraphs 4.5, 4.5.2, 5.1 of the Agreement provided that any claims for breach of the provisions of said paragraphs shall be made in writing mailed to GIRARD LEASING CORPORATION, certified mail, return receipt requested, within sixty (60) days from the date hereof or the same shall be deemed released hereby.

AMERICAN SECURITY BANK, N.A.

Dated:

Exhibit "E"